

Report Documentation Page			Form Approved OMB No. 0704-0188	
<p>Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.</p>				
1. REPORT DATE 28 SEP 2012	2. REPORT TYPE	3. DATES COVERED 00-00-2012 to 00-00-2012		
4. TITLE AND SUBTITLE Results in Brief: Improvements Needed in Transparency and Accountability of U.S. Army Reserve Component Equipment Transfers			5a. CONTRACT NUMBER	
			5b. GRANT NUMBER	
			5c. PROGRAM ELEMENT NUMBER	
6. AUTHOR(S)			5d. PROJECT NUMBER	
			5e. TASK NUMBER	
			5f. WORK UNIT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Department of Defense Office of Inspector General, 4800 Mark Center Drive, Arlington, VA, 22350-1500			8. PERFORMING ORGANIZATION REPORT NUMBER	
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)			10. SPONSOR/MONITOR'S ACRONYM(S)	
			11. SPONSOR/MONITOR'S REPORT NUMBER(S)	
12. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited				
13. SUPPLEMENTARY NOTES				
14. ABSTRACT				
15. SUBJECT TERMS				
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT Same as Report (SAR)	18. NUMBER OF PAGES 2
a. REPORT unclassified	b. ABSTRACT unclassified	c. THIS PAGE unclassified		



Results in Brief: Improvements Needed in Transparency and Accountability of U.S. Army Reserve Component Equipment Transfers

What We Did

We determined whether the Army had transparency and accountability for Army Reserve Components (RCs) equipment transfers. We reviewed documentation for 290,500 pieces of equipment transferred between 2003 and 2011, valued at approximately \$7.6 billion, to determine whether the Army followed DoD Directive 1225.6, “Equipping the Reserve Forces,” April 7, 2005 (Directive), when transferring equipment.

What We Found

Army officials did not implement accountability procedures to verify the transfer and replacement of 239,332 pieces of RCs equipment, valued at approximately \$5.8 billion. Specifically, RCs transferred 203,997 pieces of equipment to Army Active Component (AC) and other RCs without the Secretary of Defense’s (SECDEF’s) approval. This occurred because:

- U.S. Army Deputy Chief of Staff, G-8 (G-8) and RCs inappropriately determined that proposal plans were not required for 203,929 equipment transfers within RCs; and
- G-8 did not follow the requirement for preparing a proposal plan for 68 pieces of equipment transferred to AC.

RCs transferred another 1,203 pieces of equipment to AC and other RCs before obtaining SECDEF approval because G-8 did not initiate the approval process timely. The Assistant Secretary of Defense for Reserve Affairs (ASD [RA]), G-8, and RCs could not accurately account for the replacement of 34,132 pieces of RCs equipment transferred to AC and other RCs because ASD (RA), G-8, and RCs informal processes were not effective for verifying equipment replacements.

The Army could not determine the total amount of RCs equipment transfers for the purpose of

mobilization because it did not maintain a central repository.

As a result, RCs have lost transparency of their equipment transfers and may experience equipment shortages that could hinder their ability to train soldiers and respond to emergencies.

What We Recommend

We recommend ASD (RA) update draft DoD Instruction 1225.06, finalize formal policies, and develop a central repository. We recommend G-8 conduct a review to determine the need to replace equipment transferred, prepare proposal plans for future equipment transfers, take action to replace equipment transferred between 2003 and 2008, and create implementing guidance. We recommend that the Chief of Staff, U.S. Army Reserve (USAR) and the Director, Army National Guard (ARNG) prepare proposal plans and obtain SECDEF approval for future equipment transfers and create implementing guidance.

Management Comments and Our Response

As a result of comments from ASD (RA), we deleted draft Recommendation 1.a and renumbered Recommendations 1.b, 1.c, 1.d, and 1.e to Recommendations 1.a, 1.b, 1.c, and 1.d, respectively. Comments from ASD (RA), the U.S. Army Deputy Chief of Staff, G-8, and the Director, Army National Guard were partially responsive. Comments from the Chief of Staff, U.S. Army Reserve were not responsive. Therefore, we request comments by October 29, 2012. Please see the recommendations table on the back of this page.

Recommendations Table

Management	Recommendations Requiring Comment	No Additional Comments Required
Assistant Secretary of Defense for Reserve Affairs	1.a	1.b, 1.c, and 1.d
U.S. Army Deputy Chief of Staff, G-8	2.a, 2.b, and 2.c	2.d and 2.e
Chief of Staff, U.S. Army Reserve	3.a and 3.b	
Director, Army National Guard	3.a	3.b

Please provide comments by October 29, 2012.